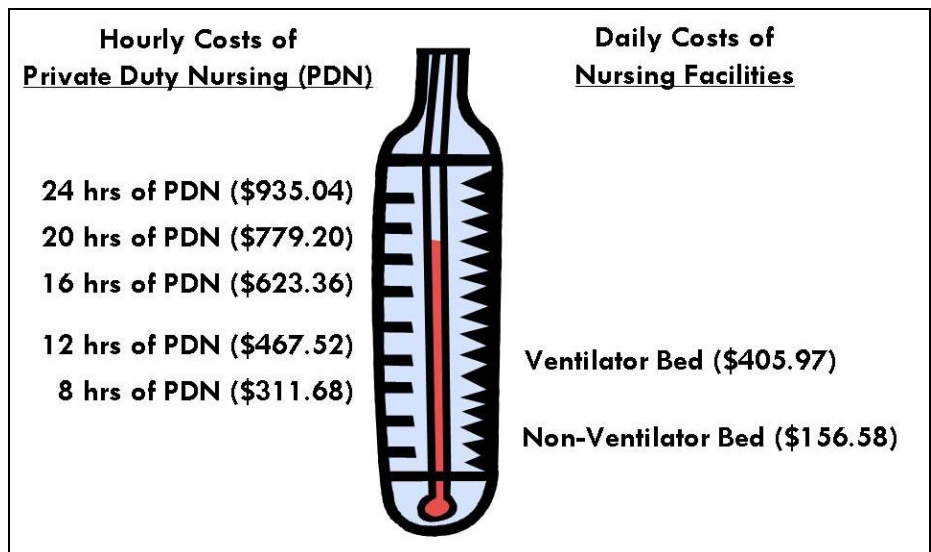


facilities vary based on the medical complexity of their residents, but the average daily rate is \$156.58 for a non-ventilator bed and \$405.97 for a ventilator bed. Whereas the hourly rate for private duty nursing only covers continuous skilled nursing care, nursing facility rates include several other services. The daily rate for nursing facilities includes room and board; rehabilitative, diagnostic, social, activity, routine, and ancillary services; supplies, appliances, and equipment; nonprescription drugs; and transportation. As shown in Exhibit 5, 8 hours of private duty nursing is more expensive than the daily rate for a non-ventilator bed in a nursing facility and 12 hours of private duty nursing is more expensive than the daily rate for a ventilator bed in a nursing facility.

Exhibit 5

Twelve Hours of Private Duty Nursing Costs More Than the Daily Rate for Nursing Facilities



Note: The hourly costs for private duty nursing are based upon the service billing rate of \$9.74 per 15 minutes, or \$38.96 per hour. The daily costs of nursing facilities are based upon the average daily rate for ventilator and non-ventilator beds across 406 facilities.

Source: Program Evaluation Division based on Division of Medical Assistance rates setting information.

Growth in the number of adult private duty nursing recipients and the cost of their care has outpaced the growth of Medicaid. Between Fiscal Years 2003-04 and 2006-07, the number of adult private duty nursing recipients has grown 33%, at an average annual rate of 10%. The number of Medicaid recipients, in contrast, has grown 8%, at an average annual rate of 3%. Similarly, the cost of private duty nursing for adults has grown 87%, at an average annual rate of 23%, whereas the cost of Medicaid has grown 22%, at an average annual rate of 7%. Exhibit 6 projects the monthly growth in adult private duty nursing recipients and their costs through June 2012. There were 136 adults receiving private duty nursing in June 2007 at a total monthly cost of \$2,040,976. At the current rate of growth, there may be 375 adult private duty recipients at a total monthly cost of \$5,617,025 by June 2012. According to these projections, the total annual cost of private duty nursing for adults in Fiscal Year 2011-12 would be \$61,540,786.